

AMENDED IN ASSEMBLY APRIL 7, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1574

Introduced by Assembly Member Chiu
(Principal coauthor: Assembly Member Ting)
(Principal coauthor: Senator Hill)

January 4, 2016

An act to *amend Sections 1042 and 5374.5 of, and to add Sections 1042.2 and 5374.4 to, the Public Utilities Code, and to add Section 1686 to the Vehicle Code, relating to vehicles.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1574, as amended, Chiu. Vehicles of charter-party carriers of passengers and passenger stage corporations.

Existing law provides for the Department of Motor Vehicles to register vehicles used on the public streets and highways and to verify insurance coverage. Existing law provides for the Public Utilities Commission to regulate certain classes of passenger carriers, including charter-party carriers of passengers and passenger stage corporations, and to issue certificates or permits in that regard. Existing law requires the Department of the California Highway Patrol to regulate the safe operation of certain classes of vehicles, including buses and modified limousines. Existing law requires charter-party carriers of passengers and passenger stage corporations to report the vehicles they use in their operations to the commission. A violation of provisions governing charter-party carriers of passengers and passenger stage corporations is a crime.

This bill would require the Department of Motor Vehicles, in issuing or renewing a commercial vehicle registration, to require the owner of

a bus, limousine, or modified limousine used by a charter-party carrier of passengers or a passenger stage corporation to disclose the name of the carrier or corporation that will be using the vehicle in its operations. The bill would require the Public Utilities Commission, in collaboration with the Department of Motor Vehicles, to annually verify that the buses, limousines, and modified limousines used by a carrier or corporation have been reported to the commission by the carrier or corporation, would require the carriers and corporations to provide the commission with vehicle registration information for each vehicle, and would prohibit the commission from issuing or renewing a noncompliant carrier's or corporation's permit, certificate, or authority. The bill would require the Department of Motor Vehicles to notify the Public Utilities Commission when a charter-party carrier of passengers or a passenger stage corporation first registers a bus, limousine, or modified limousine with the department, and to provide information to the commission that will allow the commission to identify the vehicle. The bill would require the commission, with respect to those newly registered buses, limousines, or modified limousines, to ensure that the vehicles meet all statutory and regulatory requirements for safe operation. The bill, upon the commission becoming aware of a bus, limousine, or modified limousine of a charter-party carrier of passengers or a passenger stage corporation that has not been reported to the commission by the carrier or corporation, would require the commission to immediately take steps to require the carrier or corporation to update its reporting of vehicles to the commission and to request the Department of the California Highway Patrol to conduct a safety inspection of the vehicle. The bill would prohibit use of such a bus, limousine, or modified limousine to transport passengers in the absence of securing a satisfactory rating from the Department of the California Highway Patrol, and would authorize a law enforcement agency to impound a bus, limousine, or modified limousine operated in violation of this provision. Because a violation of certain provisions of the bill would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 **SECTION 1.** *Section 1042 of the Public Utilities Code is*
2 *amended to read:*

3 1042. (a) Every passenger stage corporation shall furnish the
4 commission annually with a list, prepared under oath, of all
5 vehicles used in transportation for compensation during the
6 preceding ~~year~~ *year, including the vehicle registration information*
7 *for each vehicle.* This list shall include and identify each modified
8 limousine and the terminal location of each modified limousine.
9 The commission shall furnish a copy of this list identifying each
10 modified limousine and its terminal location to the Department of
11 the California Highway Patrol. The commission shall also furnish
12 a copy of this list to the corporation's insurer, if the corporation's
13 accident liability protection is provided by a policy or policies of
14 insurance.

15 (b) The commission shall not issue or continue in effect any
16 permit, certificate, or authority of a passenger stage corporation
17 that has not submitted *the list required by subdivision (a) or the*
18 *fees required for inspection pursuant to Section 34500.4 of the*
19 *Vehicle Code and any associated penalties, if applicable.*

20 (c) If the passenger stage corporation's insurer informs the
21 commission that the corporation has failed to obtain insurance
22 coverage for any vehicle reported on the list, the commission may,
23 in addition to any other applicable penalty provided in this part,
24 for a first occurrence, suspend the corporation's certificate or
25 impose a fine, or both, and for a second or subsequent occurrence
26 may suspend or revoke the certificate or impose a fine, or both.

27 (d) As used in this section and Section 1042.1, "modified
28 limousine" means any vehicle that has been modified, altered, or
29 extended in a manner that increases the overall wheelbase of the
30 vehicle, exceeding the original equipment manufacturer's published
31 wheelbase dimension for the base model and year of the vehicle,
32 in any amount sufficient to accommodate additional passengers
33 with a seating capacity of not more than 10 passengers including
34 the driver, and is used in the transportation of passengers for hire.
35 For purposes of this subdivision, "wheelbase" means the
36 longitudinal distance between the vertical centerlines of the front
37 and rear wheels.

1 ~~SECTION 1.~~

2 ~~SEC. 2.~~ Section 1042.2 is added to the Public Utilities Code,
3 to read:

4 1042.2. (a) ~~The commission~~ *commission, in collaboration*
5 *with the Department of Motor Vehicles*, shall, ~~on a continuous an~~
6 *annual* basis, verify ~~with the Department of Motor Vehicles~~ that
7 the buses, limousines, and modified limousines used by a passenger
8 stage corporation have been reported to the commission by the
9 ~~carrier~~ *corporation*.

10 (b) The commission, with respect to newly registered buses,
11 limousines, or modified limousines of passenger stage corporations
12 reported by the Department of Motor Vehicles to the commission
13 pursuant to Section 1686 of the Vehicle Code, shall ensure that
14 the newly registered buses, limousines, or modified limousines
15 meet all statutory and regulatory requirements for safe operation.

16 (c) (1) If the commission becomes aware, pursuant to Section
17 1686, of a newly registered bus, limousine, or modified limousine
18 of the passenger stage corporation that has not been reported to
19 the commission by the corporation, the commission shall
20 immediately take steps to require the corporation to update its
21 reporting of buses, limousines, and modified limousines to the
22 commission and to request the Department of the California
23 Highway Patrol to conduct a safety inspection of the bus,
24 limousine, or modified limousine.

25 (2) A passenger stage corporation may not transport passengers
26 on a bus, limousine, or modified limousine described in paragraph
27 (1) in the absence of securing a satisfactory rating from the
28 Department of the California Highway Patrol for the bus,
29 limousine, or modified limousine. A bus, limousine, or modified
30 limousine operated in violation of this section may be impounded
31 by a law enforcement agency.

32 (3) The commission may impose a penalty against the affected
33 corporation for a violation of paragraph (2) and may suspend or
34 revoke the corporation's operating certificate, as provided in this
35 article.

36 ~~SEC. 2.~~

37 ~~SEC. 3.~~ Section 5374.4 is added to the Public Utilities Code,
38 to read:

39 5374.4. (a) ~~The commission~~ *commission, in collaboration*
40 *with the Department of Motor Vehicles*, shall, ~~on a continuous an~~

1 ~~annual basis, verify with the Department of Motor Vehicles that~~
2 the buses, limousines, and modified limousines used by a
3 charter-party carrier of passengers ~~and have been~~ reported to the
4 commission by the carrier.

5 (b) The commission, with respect to newly registered buses,
6 limousines, or modified limousines of charter-party carriers of
7 passengers reported by the Department of Motor Vehicles to the
8 commission pursuant to Section 1686 of the Vehicle Code, shall
9 ensure that the newly registered buses, limousines, or modified
10 limousines meet all statutory and regulatory requirements for safe
11 operation.

12 (c) (1) If the commission becomes aware, pursuant to Section
13 1686, of a newly registered bus, limousine, or modified limousine
14 of the charter-party carrier of passengers that has not been reported
15 to the commission by the carrier, the commission shall immediately
16 take steps to require the carrier to update its reporting of buses,
17 limousines, and modified limousines to the commission and to
18 request the Department of the California Highway Patrol to conduct
19 a safety inspection of the bus, limousine, or modified limousine.

20 (2) A charter-party carrier of passengers may not transport
21 passengers on a bus, limousine, or modified limousine subject to
22 a safety inspection pursuant to paragraph (1) in the absence of
23 securing a satisfactory rating from the Department of the California
24 Highway Patrol for the bus, limousine, or modified limousine. A
25 bus, limousine, or modified limousine operated in violation of this
26 section may be impounded by a law enforcement agency.

27 (3) The commission may impose a penalty against the affected
28 carrier for a violation of paragraph (2) and may suspend or revoke
29 the carrier's operating certificate or permit, as provided in this
30 chapter.

31 *SEC. 4. Section 5374.5 of the Public Utilities Code is amended*
32 *to read:*

33 5374.5. (a) ~~At the time of each bus terminal inspection~~
34 ~~conducted by the Department of the California Highway Patrol~~
35 ~~pursuant to subdivision (c) of Section 34501 of the Vehicle Code,~~
36 ~~every~~ Each charter-party carrier of passengers shall furnish both
37 the Department of the California Highway Patrol and the
38 commission *annually* a list, prepared under oath, of all ~~vehicles~~
39 *buses, limousines, and modified limousines* used in transportation
40 ~~for compensation during the period since the last inspection.~~

1 *compensation, including the vehicle registration information for*
2 *each vehicle.* The commission shall furnish a copy of the list to
3 the carrier's insurer, if the carrier's accident liability protection is
4 provided by a policy of insurance. This subdivision does not apply
5 to a charter-party carrier of passengers engaged in the provision
6 of a hired driver service when a rented motor vehicle is being
7 operated by the hired driver.

8 (b) If the charter-party carrier's insurer informs the commission
9 that the carrier has failed to obtain insurance coverage for any
10 vehicle reported on the list, the commission may, in addition to
11 any other penalty provided in this chapter, for a first occurrence,
12 suspend the carrier's certificate or permit or impose a fine, or both,
13 and for a second or subsequent occurrence may suspend or revoke
14 the certificate or impose a fine, or both.

15 (c) *The commission shall not issue or continue in effect any*
16 *permit or certificate of a charter-party carrier of passengers that*
17 *has not submitted the list required by subdivision (a).*

18 ~~SEC. 3.~~

19 SEC. 5. Section 1686 is added to the Vehicle Code, to read:

20 1686. *The department, in issuing or renewing a commercial*
21 *vehicle registration, shall require the owner of a bus, limousine,*
22 *or modified limousine used by a charter-party carrier of passengers*
23 *or a passenger stage corporation to disclose the name of the*
24 *carrier or corporation that will be using the vehicle in its*
25 *operations.* The department shall notify the Public Utilities
26 Commission when a charter-party carrier of passengers or a
27 passenger stage corporation first registers a bus, limousine, or
28 modified limousine with the department, and shall provide
29 information to the commission that will allow the commission to
30 identify the vehicle.

31 ~~SEC. 4.~~

32 SEC. 6. No reimbursement is required by this act pursuant to
33 Section 6 of Article XIII B of the California Constitution because
34 the only costs that may be incurred by a local agency or school
35 district will be incurred because this act creates a new crime or
36 infraction, eliminates a crime or infraction, or changes the penalty
37 for a crime or infraction, within the meaning of Section 17556 of
38 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

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